

June 21, 2005

Dear Right-of-Way Holder:

The Bureau of Land Management (BLM) recently published new right-of-way regulations which became effective on June 21, 2005. One important provision of these new regulations concerns the billing and collection of rent for linear right-of-way (ROW) grants.

The regulations in effect prior to June 21, 2005 provided for payment of rent either annually or for an advance period of up to 5 years. While the new regulations do not change the rent schedule used to determine the amount of rent for linear ROW grants, they do provide for new options on the payment of rent that should be beneficial to both the BLM and the Holder.

The new regulations provide that nonrefundable rent shall be paid for a minimum period of 10 years, not to exceed the remaining term of the ROW. The regulations also allow all Holders an option to pay nonrefundable rent for the entire remaining term of the ROW. Individuals whose annual rent exceeds \$100.00 may continue to pay nonrefundable rent annually or may opt to pay rent for a number of years, including the remaining term. An "Individual" is considered to be either a single person or a husband and wife.

The BLM is providing a transition period (6/21/05 to 12/31/08) for all holders of linear ROW grants issued prior to June 21, 2005 to plan and budget for these new rent payment options. During this transition period the BLM will continue to bill and accept payments in accordance with the previously established annual or 5 year billing periods. However, if you wish to use the new rent payment options prior to January 1, 2009 for any or all of your existing ROW grants, you will need to inform the appropriate BLM billing office of your decision prior to Oct.1, 2005 for rent due Jan.1, 2006; prior to Oct.1, 2006 for rent due Jan. 1, 2007; or prior to Oct.1, 2007 for rent due Jan.1, 2008. The 10 year billing period will be instituted for all rent due on and after January 1, 2009.

All ROW grants (except those grants issued to Individuals with an annual rent in excess of \$100.00) issued on or after June 21, 2005, will be billed either for 10 year periods (not to exceed the term of the ROW) or, at the Holder's option, for the entire term of the ROW. These new billing periods will also apply to assignment, amendment and renewal actions completed on or after June 21, 2005.

You should also be aware that a late fee of \$25.00 or 10% of the rent you owe, whichever is greater, not to exceed \$500.00 per authorization, will now be assessed for rent payments not received within 15 days of the due date.

Additional information, including names of BLM personnel who can direct you to the appropriate billing office for your grant(s), and/or who can answer other questions regarding the new regulations, is available at:

<http://www.blm.gov/nhp/what/lands/realty/rowcr/>

<http://www.blm.gov/nhp/what/lands/realty/rowcontacts.htm>